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**Copyright Royalty Board**

**37 CFR Part 386**

**[Docket No. 15-CRB-0014-SA-COLA (2016)]**

**Cost of Living Adjustment to Satellite Carrier Compulsory License Royalty Rates**

**AGENCY:** Copyright Royalty Board, Library of Congress.

**ACTION:** Final rule.

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**SUMMARY:** The Copyright Royalty Judges announce a cost of living adjustment (COLA) of 0% in the royalty rates satellite carriers pay for a compulsory license under the Copyright Act. The COLA is based on the change in the Consumer Price Index from October 2014 to October 2015.

**DATES:** *Effective Date:* January 1, 2016.

*Applicability Dates:* These rates are applicable to the period January 1, 2016, through December 31, 2016.

**FOR FURTHER INFORMATION CONTACT:** LaKeshia Keys, CRB Program Specialist, by telephone at (202) 707-7658 or by e-mail at [crb@loc.gov](mailto:crb@loc.gov).

**SUPPLEMENTARY INFORMATION:** The satellite carrier compulsory license establishes a statutory copyright licensing scheme for the retransmission of distant television programming by satellite carriers. 17 U.S.C. 119. Congress created the license in 1988 and has reauthorized the license for additional five-year periods, most recently with the passage of the STELA Reauthorization Act of 2014, Public Law 113-200.

On August 31, 2010, the Copyright Royalty Judges (Judges) adopted rates for the section 119 compulsory license for the 2010–2014 term. *See* 75 FR 53198. The rates were proposed by

Copyright Owners and Satellite Carriers<sup>1</sup> and were unopposed. *Id.* Section 119(c)(2) of the Copyright Act provides that, effective January 1 of each year, the Judges shall adjust the royalty fee payable under Section 119(b)(1)(B) “to reflect any changes occurring in the cost of living as determined by the most recent Consumer Price Index (for all consumers and for all items) [CPI–U] published by the Secretary of Labor before December 1 of the preceding year.” Section 119 also requires that “[n]otification of the adjusted fees shall be published in the Federal Register at least 25 days before January 1.” 17 U.S.C. 119(c)(2).

The change in the cost of living as determined by the CPI-U during the period from the most recent index published before December 1, 2014, to the most recent index published before December 1, 2015, is .2%.<sup>2</sup> Application of the .2% COLA to the current rate for the secondary transmission of broadcast stations by satellite carriers for private home viewing — 27 cents per subscriber per month — results in an unchanged rate of 27 cents per subscriber per month (rounded to the nearest cent). *See* 37 CFR 386.2(b)(1). Application of the .2% COLA to the current rate for viewing in commercial establishments — 56 cents per subscriber per month — results in an unchanged rate of 56 cents per subscriber per month (rounded to the nearest cent). *See* 37 CFR 386.2(b)(2).

### **List of Subjects in 37 CFR Part 386**

Copyright, Satellite, Television.

### **Final Regulations**

In consideration of the foregoing, the Judges amend part 386 of title 37 of the Code of Federal Regulations as follows:

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<sup>1</sup> Program Suppliers and Joint Sports Claimants comprised the Copyright Owners while DIRECTV, Inc., DISH Network, LLC, and National Programming Service, LLC, comprised the Satellite Carriers.

<sup>2</sup> On November 17, 2015, the Bureau of Labor Statistics announced that the CPI-U increased .2% over the last 12 months.

**PART 386—ADJUSTMENT OF ROYALTY FEES FOR SECONDARY  
TRANSMISSIONS BY SATELLITE CARRIERS**

1. The authority citation for part 386 continues to read as follows:

**Authority:** 17 U.S.C. 119(c), 801(b)(1).

2. Section 386.2 is amended by adding paragraphs (b)(1)(vii) and (b)(2)(vii), and footnotes 3 and 4, to read as follows:

**§ 386.2 Royalty fee for secondary transmission by satellite carriers.**

\* \* \* \* \*

(b) \* \* \*

(1) \* \* \*

(vii) 2016: 27 cents per subscriber per month (for each month of 2016)<sup>3</sup>.

(2) \* \* \*

(vii) 2016: 56 cents per subscriber per month (for each month of 2016)<sup>4</sup>.

Dated: November 18, 2015.

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Suzanne M. Barnett,  
Chief Copyright Royalty Judge.

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<sup>3</sup> This is the 2015 rate adjusted for the amount of inflation as measured by the change in the Consumer Price Index for All Urban Consumers All Items from October 2014 to October 2015.

<sup>4</sup> This is the 2015 rate adjusted for the amount of inflation as measured by the change in the Consumer Price Index for All Urban Consumers All Items from October 2014 to October 2015.

